

**DEPARTMENT OF STATE REVENUE****LETTER OF FINDINGS NUMBER: 93-0878 CSET****CONTROLLED SUBSTANCE EXCISE TAX  
FOR TAX PERIODS: 1993**

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**ISSUE****1. Controlled Substance Excise Tax: Imposition**

**Authority:** IC 6-7-3-5, IC 6-8.1-5-1(b).

Taxpayer protests the assessment of Controlled Substance Excise Tax.

**Statement of Facts**

Taxpayer was arrested for possession of marijuana. The Indiana Department of Revenue issued a record of Jeopardy Finding, Jeopardy Assessment Notice and Demand on September 2, 1993 in a base tax amount of \$108,856.00. Taxpayer filed a protest to the assessment. A hearing on the protest was held by telephone on April 13, 2000. Taxpayer was represented by his attorney. Further facts will be provided as necessary.

**Discussion**

IC 6-7-3-5 imposes the Controlled Substance Excise Tax on the possession of marijuana in the State of Indiana. Taxpayer has the burden of proving that the assessment is incorrect. IC 6-8.1-5-1(b). The Police Incident Report indicates that Taxpayer possessed the marijuana upon which tax was assessed. The U.S. Postal Inspection Service Crime Laboratory Examination Report verifies the amount of marijuana on which tax was assessed. Taxpayer did not present any evidence which would sustain his burden of proving that the assessment is incorrect. Therefore, the tax properly applies to Taxpayer in this situation.

**Finding**

Taxpayer's protest is denied.